

Key Lessons Learned and Recommendations from Hurricane Mitch Response

1. Funding

Background

- Scope of disaster/response outstripped funds available – emergency sup needed
- Funds not always provided to USAID on a timely basis; hindered program implementation.
- Agreement reached early within USG that response should have lasting impact (“build back better”)
- Congress created separate account, among other reasons, to ensure that funds were not used for ongoing development activities
- Legislative deadline set for funds obligations (100% by end FY 2000) and gentleman’s agreement that 100% of funds spent by end of CY 2002

Recommendations

- USG consensus needed early-on of realistic timelines for achievements expected, taking into account probability of unforeseen delays, and nature of reconstruction effort (i.e., large proportion of funds for physical infrastructure).
- Emergency Reconstruction Fund and quicker reprogramming procedures needed

Implementing Lessons Learned in Recent Caribbean and Central American Disasters

- Agency and LAC budgets scrubbed in advance of receipt of supplemental, other funds
- Strategic Objective funding ceilings raised to provide field missions maximum programming flexibility

2. Staffing, Program Design and Procurement

Background

- Shortage of engineering, technical, and contracting expertise
- USAID lacked “surge capacity” to quickly start/complete large-scale program
- Emphasis was on sectors in which USAID lacked current experience and expertise (e.g. infrastructure).
- Inflexible USAID assignment process, esp. for contracts officers, delayed assignments of key staff
- Mission and Washington staff capacities stretched to limit
- Missions expanded use of partner staff (e.g., grantees) to help compensate
- Lengthy infrastructure competition processes resulted due to intense Congressional concern for open competition, and Congressional preference for use of US firms and the US Army Corps of Engineers.

Recommendations

- Staffing must be treated as a priority from Day One; procedures developed to allow quick reassignment of key personnel
- Agency should develop quick reaction “SWAT Teams” of technicians, contracts officers, lawyers, PDOs, others that could be mobilized on short notice
- FSNs from third countries should be deployed
- Sensible, simple procurement approach needed for urgent circumstances.
- Post-disaster reconstruction programs should not be constrained by arbitrary or politically-determined completion deadlines

Implementing Lessons Learned

- LAC made Caribbean and Central American disaster response top priority; workloads and Bureau division of labor adjusted accordingly
- Agency quickly formed teams to assess disaster scope and to develop medium and longer term responses
- Contracting officers and auditors assigned early-on; accountability mechanisms need to be incorporated in the design of the programs

3. Involvement of U.S. Private Sector

Background

- Intense interest expressed by U.S. companies to participate in reconstruction
- Private-Public Partnership Coordination Unit established in LAC Bureau to help match offers of assistance to needs of affected countries
- Despite unprecedented cooperation with US military, air transport was a major problem & bottleneck
- Sea ports in region clogged with containers of donated goods
- Response Management Team (RMT) established in OFDA ops center to deal with donor requests and other outside enquiries

Recommendation

- Permanent mechanism should be devised after disasters to ensure appropriate, effective ongoing coordination with US private for-profit and voluntary companies

Implementing Lessons Learned

- RMT institutionalized

4. USG Inter-agency Coordination

Background

- Federal relief efforts “duplicative, laden with confused mandates and unnecessarily costly for taxpayers” (Kunder/Cohen report)
- White House-led Task Force established, run by NSC and OMB
- Working groups led by different agencies (e.g., emergency relief, debt)
- USAID managed reconstruction program in close collaboration with State; excellent USAID reporting on activities and use of funds reassured State
- USAID also worked closely with OMB from outset
- USAID authority to negotiate with other USG agencies was limited and thus roles and responsibilities confused at times
- Incorporation of clauses in Inter-Agency Agreements to require that other agencies develop country specific workplans subject to review and approval of the local USAID mission provided a handle to ensure reconstruction strategies were coherent and well coordinated.
- Overall management requirements very intensive for USAID field staff; e.g., extra efforts were needed to coordinate with other USG agencies

Recommendations

- Name a senior manager for each major foreign disaster
- Essential to get clarity on inter-agency division of labor ASAP
- Greater scrutiny required of other USG agency capacity in the field
- USAID field staff should be insulated from having to deal with excessive administrative and coordination requirements when multiple USG actors are engaged in field activities
- USG agencies w/o field experience should consider assigning staff to work directly with USAID (e.g., through PASA arrangements)

Implementing Lessons Learned

- Require country-specific workplans subject to local USAID mission review and approval to ensure other agencies are working in a coordinated manner with USAID reconstruction strategy
- Include provision of administrative costs in IAAs so that other agencies can procure the necessary logistical and other ICASS costs for operating in country

5. Accountability

Background

- Direct appropriations provided for GAO and USAID IG audits

- Concurrent audits used in particularly vulnerable circumstances (e.g., construction; host country contracting)
- Multi-donor audit and inspection mechanisms developed and instituted

Recommendations

- Strong accountability mechanisms should be built into program designs
- (Be aware that incorporating such mechanisms can delay reconstruction activities)

Implementing Lessons Learned

- Auditors assigned early to monitor Caribbean and Central American disaster aid to enhance prospects for full, immediate accountability

6. Congressional Relations

Background

- Proactive strategy required for working with Congress, key staffers (particularly House Appropriations Foreign Ops. Subc.)
- Special legislative authorities identified in consultation with Congress
- Pre-consultation process developed, including sharing of draft CNs with Hill

Recommendation

- Replicate the above measures in dealing with future major disasters & reconstruction requirements

Implementing Lessons Learned

- CNs for Caribbean and Central American disaster response and reconstruction drafted early and substantive discussions held with all involved in clearance, resulting in expedited clearance process and speedy CN expiration on Hill

Other

Attached as enclosure is “Hurricane Mitch – things that worked in El Salvador”

Enclosure

“Hurricane Mitch – things that worked in El Salvador”

- Strong leadership from the Mission Director and all offices were engaged in the response. The disaster response was given top priority over all other actions
- Strong project managers with strong planning and leadership skills were used
- The mission tapped into its senior FSNs (11s, 12s and a 13s)
- The mission made the maximum use of its current contracting/grant authorities. It issued cooperative agreements wherever possible and only used bilateral agreements for certain cases (e.g., road construction).
- All procedures/timetables related to strategy and activity design, procurement and implementation were scrubbed repeatedly to compress timeframes and run activities concurrently.
- The mission used well-established and capable partners who were on the ground and know the country
- The mission used its track record of working with the government ministries responsible for managing our money and for implementing construction.
- Activities were designed to share information and data (including GIS)
- The mission worked closely with the national government, supporting its efforts to coordinate donor assistance and did not supplant their role in working with local communities.
- Decisions on reconstruction priorities were based on consultations with communities in the affected areas.